

Personal holding company income.

Rents.  
Ante, p. 81.  
26 USC 543.

SEC. 3. (a) Section 543(a)(2) of the Internal Revenue Code of 1954 (relating to rents) is amended by adding at the end thereof the following new sentence: "For purposes of applying this paragraph, royalties received for the use of, or for the privilege of using, a patent, invention, model, or design (whether or not patented), secret formula or process, or any other similar property right shall be treated as rent, if such property right is also used by the corporation receiving such royalties in the manufacture or production of tangible personal property held for lease to customers, and if the amount (computed without regard to this sentence) constituting rent from such leases to customers meets the requirements of subparagraph (A)."

(b) The amendment made by subsection (a) shall apply to taxable years beginning after December 31, 1963.

Approved August 22, 1964.

## Public Law 88-485

### AN ACT

August 22, 1964  
[H. R. 1988]

To provide for the settlement of claims of certain residents of the Trust Territory of the Pacific Islands.

Rongelap Atoll.  
Radiation victims, compensation.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Congress hereby assumes compassionate responsibility to compensate inhabitants in the Rongelap Atoll, in the Trust Territory of the Pacific Islands, for radiation exposures sustained by them as a result of a thermonuclear detonation at Bikini Atoll in the Marshall Islands on March 1, 1954.

Appropriation; conditions for payment.

SEC. 2. There is authorized to be appropriated for such purpose out of the Treasury of the United States the sum of \$950,000 to be expended by the Secretary of the Interior (hereinafter referred to as the "Secretary") in the manner hereinafter provided. After deducting the amount provided for in section 5 hereof, the Secretary shall pay the remainder in equal amounts to each of the affected inhabitants of Rongelap, except that (a) with respect to each such inhabitant who has died before receipt of such payment, the Secretary shall pay such sum to the heirs or legatees of such inhabitant, and (b) with respect to any such inhabitant who is less than twenty-one years of age or who has been adjudged incompetent or insane, payment shall be made, in the discretion of the Secretary, to a parent, relative, other person, or institution for his benefit.

SEC. 3. The Secretary shall give advice concerning prudent financial management to each person receiving a payment pursuant to this Act, to the end that each such person will have information as to methods of conserving his funds and as to suitable objects for which such funds may be expended.

SEC. 4. A payment made under the provisions of this Act shall be in full settlement and discharge of all claims against the United States arising out of the thermonuclear detonation on March 1, 1954.

Attorney fees.

SEC. 5. The Secretary is authorized to pay reasonable attorney fees for legal services rendered on behalf of the people of Rongelap prior to the date of enactment of this Act. Such fees shall be paid out of the funds authorized to be appropriated in section 2 of this Act, but the total of such fees paid shall not exceed 5 per centum of the appropriated funds.

SEC. 6. The decisions of the Secretary in carrying out the provisions of this Act shall be final and not subject to review.

Approved August 22, 1964.